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C O N F I D E N T I A L GEORGETOWN 000152

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TAGS: PGOV KDEM GY

SUBJECT: JAGDEO HITTING CRITICS WHERE IT HURTS

REF: GEORGETOWN 110

Classified By: AMBASSADOR DAVID M. ROBINSON FOR REASON 1.4(D)

- ¶1. (C) Summary: An escalating conflict between the GOG and the independent Stabroek News over a recent withdrawal of government advertisements (reported reftel) illustrates President Jagdeo's mounting willingness to lash out at critics with more than verbal attacks. As more groups condemn the ad withdrawal and Jagdeo sharpens his rebuttals, local and international observers are increasingly uneasy over the President's autocratic tendencies. End Summary.
- 12. (U) Stabroek News continues to complain bitterly about the government's advertising withdrawal. The paper has promised to publish a daily protest banner on its front page until the government recants, and carries a new story of support from an international press organization almost every day. The most recent backers of Stabroek News%cause include the Commonwealth Press Union and the Inter-American Press Association. Both characterized the government's action as an attack against freedom of the press. Meanwhile, Stabroek News has announced that the state corporations Guyana Power and Light and Guysuco also have stopped booking advertisements.
- 13. (SBU) Jagdeo has gone public with his criticism of Stabroek News' campaign, calling it "sad and pathetic." He continues to insist that the decision to withdraw advertising was purely commercial, and has accused Stabroek News of painting a false picture of events to win sympathy abroad. In fact, Jagdeo's explanation narrowly conforms with the letter of the law, which demands only that the GoG place its ads in at least one private sector newpaper in addition to government-controlled media outlets. But almost all observers recognize that pulling the ads from the only articulate critic of the administration is a punitive slap, not a financial move, and it may be working. The other two major dailies' coverage of the story generally is more sympathetic to the President than to their angry competitor.
- 14. (C) Well-respected businessman and former Private Sector Commission Head Yesu Persaud told the Ambassador and the Canadian High Commissioner that he and others were deeply concerned by Jagdeo's recent behavior. Persaud was particularly troubled by Jagdeo's apparent willingness to hit his critics in the pocketbook, rather than merely lambasting them in public as he has done in the past. Similarly, major donor chiefs of mission--including the British, Canadians, IMF, World Bank, IDB, UNDP and us--agreed at a recent donors' lunch that the ad controversy is just the latest in a growing list of moves by Jagdeo to consolidate power in himself. Even the old guard in the People's Progressive Party, Jagdeo's own platform, is privately critical of the President's dismissive attitude toward it and other political and governmental institutions.

15. (C) Comment: Our collective concern about an increasingly arrogant chief executive is unlikely to cause Jagdeo much heartburn. He faces a neutered opposition, a docile parliament, and a tame press - with Stabroek News the lone vocal exception. The major donors chiefs of mission, including the Ambassador, are coordinating talking points for public and private use encouraging the president and his inner circle to keep their campaign pledge for greater democratic inclusion in a robust reform program. The real opportunity to make that point will come when Jagdeo asks for help, as we expect he will, in holding local elections either later this year or early in 2008. We should insist that specific electoral and constitutional reforms are in place before taking out our wallet. In the meantime, some conditionality associated with (IDB) debt relief is a lever we should only reluctantly drop. End Comment.